

cc: Paz

NAVAJO COUNTY, ARIZONA

RESOLUTION NO. 26-93

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF A LEASE AGREEMENT, A TRUST AGREEMENT, AND A PURCHASE CONTRACT; APPROVING THE ASSIGNMENT OF THE RIGHT TO PAYMENT THEREUNDER AND THE ISSUANCE OF \$1,475,000 CERTIFICATES OF PARTICIPATION, SERIES 1993, EVIDENCING A PROPORTIONATE INTEREST OF THE OWNERS THEREOF IN THE LEASE PAYMENTS ARISING OUT OF A LEASE AGREEMENT BETWEEN THE LONE PINE LANDFILL GOVERNMENTAL FINANCING CORPORATION, AS LESSOR, AND THE TOWN OF PINETOP-LAKESIDE, ARIZONA, THE CITY OF SHOW LOW, ARIZONA AND NAVAJO COUNTY, ARIZONA, AS LESSEES THE PAYMENTS UNDER WHICH ARE ASSIGNED TO _____, AS TRUSTEE; AND AUTHORIZING THE TAKING OF ALL OTHER ACTIONS NECESSARY TO THE CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED BY THIS RESOLUTION; APPROVING THE OFFICIAL STATEMENT; APPROVING DELIVERY COSTS DISBURSEMENT REQUISITION AND ACQUISITION AND CONSTRUCTION COSTS DISBURSEMENT REQUISITION

WHEREAS, the Navajo County, Arizona (the "County") is authorized and empowered to make contracts and to incur obligations appropriate to enable it to accomplish any of its purposes; and

WHEREAS, the County is specifically authorized under the provisions of the Arizona Revised Statutes, as amended (the "Act") to enter into the lease agreements concerning the use of its property and further to provide or contract for public facilities at such intervals and as conveniently as the governing body deems necessary for the safe and sanitary disposal of solid waste generated within its jurisdiction; and

WHEREAS, the County is desirous of joining with the City of Show Low (the "City") and the Town of Pinetop-Lakeside (the "Town") in the financing of the acquisition and construction of a Transfer Station and Appurtenant Facilities through the issuance and sale of \$1,475,000 Certificates of Participation, Series 1993, dated as of February 1, 1993 (the "Certificates"), by _____, a national banking association duly organized and existing under the laws of the United States of America (the "Trustee"), evidencing a proportionate interest of the owners thereof in the Lease Payments and Prepayments to be made pursuant to a Lease Agreement, dated as of February 1, 1993 (the "Lease"), between the County, the Town and the County and the Lone Pine Landfill Governmental Financing Corporation (the "Corporation"), which right to receive such payments has been assigned to the Trustee, pursuant to the Assignment Agreement, dated as of February 1, 1993 (the "Assignment") between the Corporation and the Trustee all pursuant to a Trust Agreement, dated as of February 1, 1993 (the "Trust Agreement"), between and among the Trustee, and the County, the Town, the City and the Corporation; and

WHEREAS, Peacock, Hislop, Staley and Given, Inc. (the "Original Purchaser") will purchase the Certificates pursuant to a Purchase Contract, dated as of February __, 1993 (the "Purchase Contract"), between and among the County, the Town, the City, the Trustee and the Original Purchaser; and

WHEREAS, there has been presented to the Board of Supervisors of the County prior to this meeting (i) the proposed form of the Lease and the Assignment of the Right to Receive Payments thereunder; (ii) the proposed form of the Trust Agreement; (iii) the form of the Official Statement (the

"Official Statement Statement") relating to the Certificates; and (iv) the proposed form of the Purchase Contract; and

WHEREAS, the County has been presented with a Delivery Cost Distribution Requisition and an Acquisition and Construction Cost Disbursement Requisition for approval.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE NAVAJO COUNTY, ARIZONA, THAT:

Section 1. The Board of Supervisors of the County hereby finds and determines that the financing of the costs of the acquisition and construction of the proposed Transfer Station and Appurtenant Facilities (the "Transfer Station") in conjunction with the Town and the City, pursuant to the terms of the Lease, the Assignment and the Trust Agreement is in furtherance of the purposes of the County and in the public interest and that the acquisition and construction of the Transfer Station and the financing thereof through the issuance and the sale of the Certificates will enhance the standard of living within the County and within the State of Arizona.

Section 2. The County hereby approves the Sources and Uses of Funds as set forth in Exhibit A attached hereto, and the issuance and delivery of the Certificates, as hereinafter described, by the Trustee. The Certificates shall be issued in the aggregate principal amount of \$1,475,000. The Certificates shall be in the denomination of \$5,000.00 or any integral multiple thereof, shall be dated February 1, 1993, with Interest Payments commencing June 1, 1993, and shall be fully registered Certificates without coupons as provided in the Trust Agreement. The Certificates shall bear interest at the rates per annum and shall mature on June 1 in the years and principal amounts as set forth in the final accepted Purchase Contract.

The forms, terms and provisions of the Certificates and the provisions for the signature, authentication, payment, registration, transfer, exchange, redemption and number shall be as set forth in the Trust Agreement and are hereby approved.

Section 3. The form, terms and provisions of the Purchase Contract in the form of such document presented at this meeting is hereby approved. The Chairman of the Board of Supervisors and the Clerk of the County are hereby authorized and directed to execute and deliver the Purchase Contract, upon the receipt of the same, completed in full as to its terms, provided the same is likewise executed and delivered by the Town and the City.

Section 4. The form, terms and provisions of the Lease, the Assignment, and the Trust Agreement, in the form of such documents (including the exhibits thereto) presented at this meeting are hereby approved with such insertions, omissions and changes as shall be approved by the Chairman of the Board of Supervisors of the County, the execution of such documents being conclusive evidence of such approval, and the Chairman of the Board of Supervisors and the Clerk of the County are hereby authorized and directed to execute and deliver the Lease, the Assignment, and the Trust Agreement, provided the Town and the City likewise execute and deliver the same.

Section 5. The County hereby requests the Trustee, upon the County's execution of all documents, to take any and all action necessary in connection with the execution and delivery of the Lease, the Assignment, the Trust Agreement, and the issuance and sale of the Certificates, provided all documents are likewise executed and delivered by the Town and the City.

Section 6. The obligation of the County to make any portion of the Lease Payments under the Lease does not constitute an obligation of the County for which the County is obligated to levy or pledge any form of taxation nor does the obligation to make any portion of the Lease Payments under the Lease constitute an indebtedness of the County or of the State of Arizona or any of its political subdivisions within the meaning of the Constitution of the State of Arizona or otherwise.

Section 7. The County covenants that it will do all things necessary to assist the Trustee in the issuance and delivery of the Certificates.

Section 8. The form, terms and provisions of the Official Statement in the form of such document (including exhibits thereto) presented at this meeting is hereby ratified, approved and confirmed.

Section 9. The Delivery Cost Disbursement Requisition and the Acquisition and Construction Cost Disbursement Requisition are hereby approved as presented this date.

Section 10. After any of the Certificates are delivered by the Trustee to the Original Purchaser thereof upon receipt of payment therefor, this Resolution shall be and remain irrevocable until the Certificates and the interest thereon shall have been fully paid, cancelled and discharged.

Section 11. In consideration of the purchase and acceptance of the Series 1993 Certificates by the registered owners thereof from time to time, and as authorized by Title 35, Article 7, Arizona Revised Statutes, as amended, and in consideration of retaining the exemption from federal income taxes of the interest income on the Series 1993 Certificates, the County covenants and agrees, and the appropriate officials of the County are hereby directed, to take all action required, or to refrain from taking any action prohibited, by the Internal Revenue Code of 1986, as amended (the "Code"), including, without limitation (i) to meet the arbitrage rebate provisions of the Code (Section 148(f) of the Code), (ii) to make the required information filing pursuant to the Code (Section 149(e) of the Code), (iii) to make the required expenditures so that the Series 1993 Certificates will not be deemed to be "hedge bonds" within the meaning of the Code (Section 147(g) of the Code) and (iv) to do all other things necessary to preserve the tax exempt status of the interest income on the Series 1993 Certificates.

Section 12. The County hereby represents and warrants that the County has general taxing powers, the Series 1993 Certificates are not private activity bonds within the meaning of the Code, and ninety-five percent (95%) or more of the net proceeds of the Series 1993 Certificates will be used for local governmental activities of the County.


Section 13. The County hereby designates the Series 1993 Certificates as qualified tax-exempt obligations within the meaning of and pursuant to the provisions of 265(b) of the Code and the County represents and warrants that the reasonably anticipated amount of qualified tax-exempt

obligations (other than private activity bonds) which will be issued by the County during the calendar year 1993 will not exceed ten million dollars (\$10,000,000).

Section 14. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 15. All orders, resolutions and ordinances or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency. This waiver shall not be construed as reviving any order, resolution or ordinance or any part thereof.

PASSED AND ADOPTED this 22nd day of February, 1993.



Chairman of the Board of Supervisors
Navajo County, Arizona

(SEAL)

Attest:



Sharon G. Jones-Wright

I hereby certify that the above foregoing Resolution No. 26-93, was fully passed by the Board of Supervisors of Navajo County, Arizona, at a regular meeting held on February 22nd, 1993, and that a quorum was present thereat and that the vote thereon was 5 ayes and 0 nays. — were no vote and — were absent.


Clerk

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